

REAMORTIZATION AGREEMENT

BORROWER CASE NUMBER			FUND	LOAN	EFFECTIVE DATE OF REAMORTIZATION		
St.	Co.	Borrower ID	CODE	NUMBER	Month	Day	Year

The United States of America, acting through the Rural Housing Service, United States Department of Agriculture (called the "Government"), is the owner and holder of a promissory note or assumption agreement (new terms) in the principal sum of _____ Dollars(\$ _____), plus interest on the unpaid principal of _____ percent (____%) per year, which was made or assumed by _____ and _____ ("Borrower") dated _____, 19____, and payable to the order of the Government. The unpaid principal balance (including advances) is \$ _____. The unpaid accrued interest to date is \$ _____. The total debt to date is \$ _____, which now is principal.

Because one or more of the conditions set forth in Rural Housing Service regulations have been met for obtaining a reamortization of the debt, the Government agrees to reamortize this loan and the Undersigned agree to make payments as follows:

- (1) The first installment in the amount of \$ _____, will be due and payable on _____, 19____.
- (2) Thereafter, regular installments, each in the amount of \$ _____, will be due and payable on the _____ of each _____ until the principal and interest are paid, except that the final installment of the entire debt, if not paid sooner, will be due and payable on _____, _____.

Nothing in this agreement affects any of the terms or conditions of the note or assumption agreement, or the instruments securing it, other than the payment schedule (which includes the due date of the final installment).

Upon default in the payment of any one of the above installments or in case of a failure to comply with any of the conditions and agreements contained in the above-described note or assumption agreement or the instruments securing it, the Government at its option may declare the entire debt immediately due and payable and may take any other action authorized therein.

(Borrower)

(Borrower)

(Date)

UNITED STATES OF AMERICA
RURAL HOUSING SERVICE

By _____

Title _____

Date _____

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0172. The time required to complete this information collection is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

Used to reamortize Single Family Housing loans, prior to conversion to the FASTeller System.

(see reverse)

PROCEDURE FOR PREPARATION :HB-2-3550.

PREPARED BY :Field Office.

NUMBER OF COPIES :Original and three copies.

SIGNATURES REQUIRED :Original by all parties who are liable for the loan being reamortized and by Community Development Manager. Copies conformed.

DISTRIBUTION OF COPIES :Original retained in Field Office with original promissory note or assumption agreement. Copy to Borrower. Copy retained in Borrower's case file.

ADPS RELATED TRANSACTION CODE :1M - New Rates and Terms - Real Estate Loan.

INSTRUCTIONS FOR PREPARATION

A separate Form RD 452-2 will be used for each loan being reamortized

- (1) Insert the borrower's case number.
- (2) Enter appropriate Fund Code.
- (3) Enter loan number.
- (4) The effective date of reamortization for loans with monthly installments or annual loans converted to monthly payments should be obtained from the DUE DATE field on the Rural Housing Servicing by Loan (SR) screen. The date inserted will be the date through which interest is accrued in (9b). The effective date of reamortization for annual payment loans will be the first day of the following month.
- (5) Insert (a) the original principal of the note or assumption agreement (new terms) in words (b) and in numbers.
- (6) Insert (a) rate of interest of the note or assumption agreement (new terms) in words (b) and in numbers.
- (7) Insert the name(s) of the borrower(s) as they appear on the note or assumption agreement being reamortized.
- (8) Insert the date of the note or assumption agreement (new terms).
- (9) The unpaid principal (item 9a), unpaid interest (item 9b), and total debt (item 9c) should be obtained from the fields TOTAL-UNPAID PRIN, TOTAL-UNPAID INTEREST, and TOTAL-PAYOFF AMOUNT on the Rural Housing payoff Balance by Loan PR status screen.
- (10) Check this box and complete items (11) thru (16) when a loan is being reamortized.
- (11) Insert the amount of the first installment. For loans with annual installments this will be at least the amount of interest which will accrue on the new principal (the total debt shown in item (9c)) between the effective date of the agreement and the following January 1. For loans with monthly installments insert the amount shown in item (13).
- (12) For loans with annual installments, insert the date of the January 1st installment immediately following the effective date of this form. For loans with monthly installments, the due date established for the loan cannot be changed. Insert the next payment due date after the effective date of the reamortization agreement.

- (13) Insert the amount of the new regular installment. This is computed by taking the new principal (total debt shown in item (9c)) times the amortization factor for the interest rate shown in item (6) and the remaining number of years (or months) over which the new principal is to be repaid. (See item (16)). Round to the higher dollar except when the 3 digits after the decimal point are .001 through .004, in which case round downward.
- (14) For annual installments, insert the words "1st of January." For monthly installments, insert the same day date is shown in item (12).
- (15) For annual installments insert the word "year." For monthly installments insert the word "monthly."
- (16) Insert the due date of the final installment. This will be the final due date of the promissory note or assumption agreement being reamortized unless the due date is being extended in accordance with program instructions.
- (17) Insert the name(s) of the borrower(s) below the lines for signature.
- (18) Insert the name of the approval official below the top line and the official's title on the second line.
- (19) Insert the date signed by the borrower(s). This date is not required to be the same as the effective date of the reamortization agreement. The date the agreement is signed may be the same as the effective date, or a date prior to the effective date.